

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Public Services – Treasuries and Accounts Department – Pension Payment Offices, Hyderabad – Fraudulent drawal of pensions by Sri Md.Ashfaq, formerly private receipt writer O/o APPO, Chandrayanagutta and Md. Ibrahim Khaleel, Controller, APSRTC, Barkatpura to a tune of Rs.20.00 lakhs – Departmental Proceedings initiated against Retired Officers/in Service Officers of PPO Unit of Treasuries and Accounts Department – Disciplinary action against Smt. Noorus Saba Qureshi Accounts Officer (Retd.) – Imposition of punishment of withholding of Rs.500/- per month from her pension for a period of six months under Rule 9 of A.P. Revised Pension Rules, 1980 – Orders – Issued.

FINANCE (ADMN.I.VIG.) DEPARTMENT

G.O.Rt.No. 3129

Dated: 18-08-2009

Read the following:-

1. DTA Lr.No.K5/22856/2001, dt. 17-6-2003.
2. Govt. D.O.Lr.No.13365-A/42/Admn.I.Vig/2003, dt. 21-10-2003.
3. DTA Charge Memo.No.K5/22856/2001-7, dated 14-02-2004 issued to Smt. Noorus Saba Qureshi, APPO (now retired).
4. Defence Statement of Smt. Noorus Sabha Qureshi, A.O. (Retd.) dt. 24-7-2006.
5. APAT Order dt.13-2-2008 in O.A.No.7131/2007 filed by Smt.Noorus Sabha Qureshi, A.O. (Retd.).
6. A.P.High Court orders dated 29-10-2008 in W.P.M.P.No.30498/2008 in W.P.No.23410/2008 filed by the Government.
7. G.A. (CoI.R) Department U.O.No.1787/CoI.R/2008-1, dt.04-11-2008.
8. DTA Lr.No.K.II (8)/22856/2001, dated 11-11-2008.
9. G.O.Rt.No.4513, Finance (Admn.I) Department, dated 19-11-2008.
10. Enquiry Report of Sri Janak Raj, Commissioner of Inquiries dt.01-06-2009.
11. Govt. Memo.No.13365-A/42/A2/Admn.I.Vig/2003, dated 22-06-2009.
12. Explanation of Smt. Noorus Saba Qureshi, A.O. (Retd.), dt.24-6-2009.
13. Govt. Memo.No.13365-A/42/A2/Admn.I.Vig/2003, dated 27-06-2009.
14. Explanation of Smt. Noorus Saba Qureshi, A.O. (Retd.), dt.02-07-2009.
15. Govt. Letter No. 13365-A/42/Admn.I.Vig/2003, dated 6-7-2009 addressed to Secretary, APPSC
16. Secretary, APPSC Lr.No.919/RT-I/3/2009, dated 04-08-2009.

ORDER:

The Director of Treasuries and Accounts, in the reference 1st read above, reported that a case of fraudulent drawals took place in the offices of Assistant Pension Payment Officers, Chandrayangutta, Motigally, Nampally, Punjagutta and Narayanaguda. This came to light when the Banjara Hills Police have nabbed two culprits – Sri Md.Ashfaq and Sri Ibrahim Khaleel. The preliminary reports indicated that the said Sri Mohd Ashfaq, who worked earlier as pension receipt writer at the O/o the APPO, Chandrayanagutta made use of his knowledge of pension payment procedures and his contacts with the staff of the office of different APPOs and resorted to fraudulent drawls by adopting dubious means. The enquiries have revealed that the culprits used to make representations in name of the deceased pensioners, and get the addressed changed and change the bank of the pensioners and drew the amounts fraudulently. The Police investigations revealed that the culprits have resorted to this fraud in about 30 cases. On the request of the police the probable amount of those fraudulent drawals has been estimated to be Rs.20,54,000/-. A criminal case in this matter has been registered in the Banjara Hills Police Station and it is under investigation. On detection of this fraud, the department undertook a detailed verification of those 30 Pension Payment Orders and it is found that the Assistant Pension Payment Officers have allowed the change of bank merely based on the option form or a representation received in the name of the pensioner and credited the pension to the new bank account without following the prescribed procedure. The descriptive rolls were changed by affixing the photographs of the

fake pensioners. The Assistant Pension Payment Officers concerned have failed to keep the safe-custody of the records. This has given scope for the culprits and those who were in connivance with them to have easy access and commit the fraud. The Charged Officers failed to follow the procedure prescribed in SRs.64 to 87 under TR.16 of A.P.Treasury Code. Vol-I and the procedure prescribed in G.O.Ms. No.213, Finance & Planning (FW PSC) Department, dated.19-12-1997 and instructions issued thereon from time to time and thus, they have not only given scope for these fraudulent drawals but also helped the culprits to continuously draw them over a period of time. They have not followed appropriate procedure in obtaining the life-certificates, descriptive rolls and in filing them in the files concerned. These failures have paved the way for the culprits to tamper with the records of the office and to resort to the fraudulent drawals.

2. Departmental Proceedings were initiated against Smt. N.S.Qureshi, the then APPO now Accounts Officer (Retired) along with others of PPO Unit of Treasuries and Accounts Department who were allegedly responsible for the irregularities and for their failure to follow the procedure prescribed in SRs.64 to 87 under TR.16 of A.P.Treasury Code. Vol-I and the procedure prescribed in G.O.Ms No.213, Finance & Planning (FW PSC) Department, dated.19-12-1997 and instructions issued thereon from time to time. The following Article of Charge has been framed against Smt. N.S.Qureshi, then JAO O/o APPO, Nampally, presently A.O. (Retd.) vide DTA Charge Memo. No. K5/22856/2001-7, O/o the Directorate of Treasuries and Accounts, A.P., Hyderabad dated 14-02-2004.

Smt. N.S.Qureshi, A.O. (Retd.), while she was working as JAO O/o APPO, Nampally, during the period from December, 1994 to February, 1995 has failed to follow the procedure prescribed in A.P. Treasury code and the instructions issued thereon from time to time in making pension disbursements in respect of the Pension Payment Orders listed in the statement enclosed to the statement of imputations, and thereby given scope for drawls and was responsible for a loss of Rs.1,168/- to the exchequer.

Thus, Smt. N.S.Qureshi, A.O. (Retd.), the then JAO O/o the APPO, Nampally by the above mentioned acts has exhibited lack of integrity devotions to duty and conduct unbecoming of a Government Servant and thereby contravened Rule 3 (1) & (2) of A.P. Civil Service (Conduct) Rules, 1964.

3. In her defence statement, while denying the article of charge framed against her. she has requested to drop the charge on the following grounds:

- i. It is mentioned in the basis of the charge that she did not follow the S.Rs. 64 to 87 under TR16 of A.P. Treasury Code Volume-I and also the procedure contained in G.O.Ms.No.213, Finance and Planning (F.W. PSC) Dept., dt.19-12-1997 while arranging payment of pension. Consequent to the issue of orders through G.O.Ms.No. 213, Finance and Planning (F.W.PSC) Dept., dated 19-12-1997 enabling the Pension Disbursing offers to send the pension to the banks in which the pensioners have opened SB Accounts; the provisions contained in SRs 64 to 87 under TR 16 of A.P. Treasury Code Vol. I have been superseded. Even prior to the issue of G.O.Ms.No.213, Finance and Planning (F.W.PSC) Dept, dt. 19-12-1997 orders have been issued in G.O.Ms.No.79, Finance and planning (F.W.PSC) Dept., dated. 4-3-1989 to make payment of pensions in twin cities compulsory through the banks.
- ii. Smt. Hussain Bee was being paid at APPO Sec-bad prior to the issue of orders in G.O.Ms.No.79, Finance & Planning. (FW.PSC) Dept., dt. 4-3-1989 and that she opted for payment of pension from SBH, Masab Tank Branch in terms of this G.O. on the ground that she was residing at Banjara Hills.
- iii. **The question of personal verification of the pensioner in the Pension Payment Officer was also dispensed with.** The fraudulent drawals took place from the

APPO, Sec-bad and the pension was continued to be send to the bank without verifying whether she was a real pensioner or a bogus pensioner.

- iv. As regard the life certificate due from the pensioner during the period from November 1994 to Jan. 1995. She stated that the life certificate in question appears to have been removed from the bundle of this PPO subsequent to the payment of pension from 12/94 to 2/95: for which she should not be held responsible.

4. The defence of the charged officer that she had paid pension to bogus pensioners based on the life certificates is not at all tenable. It may not be possible to others, without collusion of the Charged Officers working in the APPO offices, to replace the photographs of the deceased pensioners pasted on the descriptive rolls with the photographs of the bogus pensioners. The defence of the Charged Officer is not satisfactory. The truth will come out only in a common inquiry of all the charged officers involved in the case. Hence, the Government have decided to conduct a regular common enquiry as per the procedure laid down under Rule 20 of A.P. Civil Services (CC&A) Rules 1991 read with Rule 9 of A.P. Revised Pension Rules, 1980. Since a common inquiry has to be ordered in this case to elicit the truth against all the 44 charged officers involved in this case, the disciplinary authority could not proceed with further action as majority of the Charged Officers did not submit their written statement of defence and insisted for certain original documents which were seized by the police and copies of certain documents.

5. In the meanwhile, the Charged Officer has filed O.A.No.7131/2007 before Hon'ble APAT. The Hon'ble APAT in their common order dated. 13-2-2008 in O.A.No.7131/2007 & 6283/2007, held that, **"there shall not be any further delay in referring the matter to the Commissioner of Enquires to proceed with the enquiry against all the officers concerned. Therefore, the respondents shall forthwith proceed with the appointment of the Enquiry Officer or refer the matter to the Commissioner of Enquiries and the respondents shall conclude the disciplinary proceedings against the applicants herein within a period of six months from the date of the receipt of these orders and pass final orders. If for any reasons, the respondents are not concluding the disciplinary proceedings within the specified time, as far as the applicants are concerned, the disciplinary proceedings should be deemed to have been dropped"** and also extended the same order in O.A.No.1932/2008, filed by Sri S.M.Ishaqui, AAO (Retd.).

6. As this is a case of large-scale misappropriation of public money, it was felt that the orders of the Hon'ble APAT were unjustified and against wider public interest. Further, as there was a criminal case pending in this case and if the departmental proceedings are treated as deemed to be dropped as per the order of APAT, it will be caused serious prejudice to the departmental proceedings and further this is detrimental to the criminal proceedings too. Aggrieved with the orders APAT, Writ Petitions were filed before Hon'ble High Court of A.P. The Hon'ble High Court pleased to grant interim suspension of the orders of APAT in the reference 6th read above.

7. Government, in exercise of the powers conferred by Sub-rule (2) of Rule 20 of A.P. Civil Services (CC&A) Rules, 1991, appointed Sri Janak Raj, IPS (Retd.) Commissioner of Inquiries, Department as Inquiry Authority to inquire into the charges framed against the Charged Officer Smt. Noorus Sabha Qureshi, Accounts Officer (Retd.), Treasury and Accounts Department and in exercise of the powers conferred by Sub-Rule (5) of A.P. Civil Services (CC&A) Rules, 1991 appointed Sri Jagan Mohan Goud, Joint Director of Treasuries and Accounts O/o the Director General, Dr. MCR HRDI, Hyderabad as Presenting Officer.

8. The Hon'ble High Court while disposing the W.P.No.23410/2008 has ordered to segregate the case of Smt.N.S.Qureshi, AO (Retd.) from other cases and complete the disciplinary proceedings within a period of six weeks from the date of receipt of a copy of the order. **Government have accordingly addressed the Sri Janak Raj, Commissioner of**

Inquires to segregate her case requested to complete the enquiry at the earliest and submit a report to the Government, to take further action in the matter.

9. The Inquiry Authority, Sri Janak Raj, Commissioner of Inquires has furnished his report vide reference 10th read above. The Enquiry officer in case of Charged Officer, Smt. Noorus Saba Qureshi, Accounts Officer (Retd.) while proving the charge, observed that the facts favor the Charged Officer to the extent of December as the Life Certificate could be submitted till December. Moreover that leaves the responsibility of the Charged Officer for the months of January and February, 1995. Certainly the lapse of Charged Officer, Smt. Noorus Sabha Qureshi is rather very small and deserves a sympathetic and lenient view. While furnishing a copy of the report of Enquiry Officer, a Show Cause Notice was issued Smt. Noorus Saba Qureshi, Accounts Officer (Retd.) as to why a suitable punishment should not be imposed against her as the charge framed against has been proved in the inquiry vide reference 11th read above.

10. Smt. Noorus Saba Qureshi, Accounts Officer (Retd.) in her representation on the findings of the E.O. has stated that the action of the respondents in issuing show-cause notice to her is against the orders of High Court. She stated that she has already given consent along with pension papers to recover the amount of Rs.1168/- paid by her to the bogus pensioner Smt. Hussain Bee. Hence, she requested to drop further action against her as she has to perform her daughter's marriage which is pending due to financial problems.

11. Government after careful consideration of the findings of the Inquiry Authority and representation of the Charged Officer, has provisionally decided to impose a punishment of withholding of Rs.500/- from her pension for a period of 6 months and issued a final Show Cause Notice to her vide reference 13th read above.

12. The Hon'ble High Court in their order dt:19-06-2009 in W.P.No.23410/2008 has extended the time by further period of fifteen days from the date of issue of the order to finalize the Disciplinary proceedings against Smt. Noorus Sabha Qureshi, Accounts Officer (Retd.).

13. According to Rule 9 (1) A.P. Revised Pension Rules, 1980, "The Government reserves to themselves the right of withholding a pension or gratuity, either in full or in part, or withdrawing a pension in full or in part, whether permanently or for a specific period and of ordering recovery from a pension or gratuity of the whole or part of any pecuniary loss caused, to the Government and to the local authority if, in any departmental or judicial proceedings the pensioner is found guilty of grave misconduct or negligence during the period of his service, including service rendered upon re-employment after retirement: Provided that the Andhra Pradesh Public Service Commission shall be consulted before any final orders are passed. Further, the Government will serve the person concerned with a show-cause notice specifying the action proposed to be taken under this rule and the person concerned will be required to submit his reply to the show-cause notice within such time as may be specified by the Government. The Government will consider the reply and consult the Andhra Pradesh Public Service Commission. If as a result of such consideration in consultation with the Commission, it is decided to pass an order under the rule, necessary orders will be issued in the name of the Government."

14. Therefore, in view of above rule position, the G.P for Services-II, A.P. High Court was addressed vide letter dated 27-6-2009 to bring the above said prescribed procedure to be followed to the notice of the Hon'ble Division bench of the High Court and pray the court to give sufficient time i.e. for another 6 weeks so as to pass final orders against the charged officer Smt. Noorus Sabha Qureshi, A.O (Retd), in consultation with the APPSC.

15. Smt. Noorus Saba Qureshi, Accounts Officer (Retd.) in her explanation to the Show cause notice dated 2-7-2009 has pointed that the action of the Government is against the orders of High Court and requested to drop action against her.

16. Government, after careful consideration of the material on record ie. Charge Memo., defence statement, finding of the Inquiry Authority, explanation of the Charged Officer to the Show Cause Notices, orders of Hon'ble APAT and APHC, **provisionally decided to impose a punishment of** withholding of Rs.500/- from her pension for a period of 6 months on Smt. Noorus Saba Qureshi, Accounts Officer (Retd.) and addressed the Secretary, Andhra Pradesh Public Service Commission for according concurrence of the Commission with the proposed punishment against Smt. Noorus Sabha Qureshi, Accounts Officer (Retd.) and intimate the same to the Government immediately for taking further action so as to comply the APHC orders.

17. The Secretary, A.P. Public Service Commission, Hyderabad in their letter 16th read above, have concurred with the proposal of the Government for imposition of a punishment of withholding Rs.500/- per month from pension for a period of 6 month on the Charged Officer Smt. Noorus Saba Qureshi, Accounts Officer (Retd.).

18. Government accordingly, hereby order for imposition of a punishment of withholding Rs.500/- per month from pension for a period of 6 months on the Charged Officer Smt. Noorus Saba Qureshi, Accounts Officer (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980.

19. The Director of Treasuries and Accounts, Hyderabad shall take necessary further action in the matter accordingly.

20. The G.O. is available on Internet and can be accessed at the address <http://www.goir.ap.gov.in>.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**SHAMSHER SINGH RAWAT
SECRETARY TO GOVERNMENT (FP)**

To

The individual through Director of Treasuries and Accounts, AP, Hyderabad.

The Director of Treasuries and Accounts, AP, Hyderabad.

The Joint Director, PPO, Hyderabad.

Copy to:

The Secretary, A.P. Public Service Commission, AP, Hyderabad.

The Secretary, A.P. Vigilance Commission, A.P., Hyderabad.

SF/SC

:: FORWARDED BY ORDER ::

SECTION OFFICER